



Foth Infrastructure & Environment, LLC  
Eagle Point II • 8550 Hudson Blvd. North, Suite 105  
Lake Elmo, MN 55042  
(651)288-8550 • Fax:(651)288-8551  
www.foth.com

January 22, 2015

TO: Jim Gates and Karl Keel, City of Bloomington (Bloomington)

FR: Dan Krivit, Jennefer Klennert, and Warren Shuros  
Foth Infrastructure & Environment, LLC (Foth)

RE: Summary of Negotiations for Organized Solid Waste Collection and Potential Next Steps

### Introduction

As requested by the City negotiating team, the seven (7) licensed Bloomington Residential Haulers ("Haulers") submitted a revised *Proposal* to the City dated Tuesday, January 20, 2015 for organized solid waste collection. This memo:

- ◆ Summarizes the City's organized collection process to date including a chronology of the negotiations.
- ◆ Summarizes the *Proposal*, including narrative elements from earlier preliminary proposals.
- ◆ Discusses non-price portions of the *Proposal*.
- ◆ Compares the Haulers' proposed prices to the estimates of current solid waste rates in Bloomington.
- ◆ Compares the Haulers' proposed prices to other contract cities in the metropolitan area.

This memo provides background information for the January 26, 2015 City Council regular meeting including discussion of potential next steps.

### Summary of Process and Chronology of Negotiations

On October 13, 2014, the City Council passed a resolution authorizing City staff to initiate negotiations with existing haulers. As part of the authorization, Council accepted the *City Priorities* (see Attachment 1) and *Parameters Framework* (see Attachment 2).

From October 22 through January 20, 2015 the City negotiating team and the Haulers had seven (7) scheduled meetings (including Foth staff) and six (6) additional impromptu meetings (without Foth staff). The negotiating period was recently extended to January 26, 2015. All meetings were conducted in a professional and respectful manner.

The Haulers' submitted a series of five proposals on November 21, 2014; December 8, 2014; December 12, 2014; on January 5, 2015; and January 20, 2015. Each proposal submittal included two or three short documents: a letter and one or two price worksheet(s). This summary memo refers to the Haulers' *Proposal* as the cumulative total of the qualitative elements of all five submittals as understood by the City's negotiating team. Only the prices within the most recent *1-20-15 Proposal* are summarized in this memo.

The Haulers' first draft *Proposal* letter submitted on November 21 acknowledged receipt and acceptance of most elements of the City's *Draft Parameters* and itemized their proposed exceptions to the City's *Draft Parameters*. The City negotiating team responded on November 26, 2014 with a point-by-point, written City response.

### **Summary of Haulers' *Proposal***

The Haulers' *1-20-15 Proposal* price worksheet includes their proposed price elements as specified by the City's *Draft Parameters*. Base service price elements include: trash collection, trash disposal by cart size, trash overflow service, and recycling service. The base services would be required to be provided to all residents. Subscription options are those extra services that may be requested by residents for an extra fee. Subscription services include: yard waste seasonal cart service, yard waste "on-call" (pay per bag), bulky waste items, and electronic waste. Organics collection was discussed throughout the negotiations and the Haulers' *1-20-15 Proposal* provides the latest price schedule.

The Haulers' *1-20-15 Proposal* states that organics collection service is included in the total recycling fee, and the organics service is contingent upon Hennepin County's implementation of the "Blue Bag" program at the County's Brooklyn Park Transfer Station. The Haulers' *1-20-15 Proposal* states that if organic recycling is not provided, then the monthly recycling rate will be reduced by \$2.00 per household per month.

The City negotiating team understands that if organics service is provided, the Haulers are proposing the additional \$2.00 charge would be applied citywide. Residents that elect to subscribe, or "opt in" to the "Blue Bag" program, would receive a supply of special, compostable blue organics bags. Separated food waste and non-recyclable paper would be placed in the "Blue Bags" and then placed inside of their trash cart.

The Haulers' *Proposal* implies the trash + "Blue Bags" would then be co-collected by each hauler and trucked to Hennepin County's Brooklyn Park Transfer Station for sorting. After sorting, the "Blue Bags" would be transferred to a licensed and permitted composting facility.

The Haulers' *1-20-15 Proposal* for organics included a graduated price schedule with proposed participation thresholds. The \$2.00 per household per month is the proposed base price for the organics service for up to 25% participation. The Haulers propose an additional \$0.50 to this price for every 10% increase in participation.

For example, the Haulers' proposed organics prices would be:

- ◆ 0% to 25% participation = \$2.00 per household per month
- ◆ 26% to 35% participation = \$2.50 per household per month
- ◆ 36% to 45% participation = \$3.00 per household per month
- ◆ And so on.

Additional implementation details of the Haulers' "Blue Bag" organics recycling system have not yet been discussed between the Haulers, City staff and County staff. For example, the Haulers have proposed a pilot program to Hennepin County staff for the sorting of "Blue Bags" of organics from trash at Hennepin County's Brooklyn Park Transfer Station. The details of design, costs and financing of this pilot program have not yet been finalized.

The Haulers' *1-20-15 Proposal* assumes that the Haulers will purchase and own their own carts, perform billing and provide customer service functions (e.g., staffing, a phone center, cart maintenance etc.). The Haulers' proposal assumes that the Haulers will be paid for bad debt on an annual basis, at the same time the City assumes responsibilities for bad debt collection (before the City would receive the funds). The Haulers were advised by City staff on several occasions that the Hauler-proposed City assessment of bad debt is under legal review by the City staff and could not be finalized at this time. State law does not give the charter cities of the second class such as Bloomington explicit authority to assess bad debt for solid waste charges by private haulers. City staff are seeking support for a change to the Minnesota law to provide explicit authority to assess bad debt.

The Haulers are proposing a one-time fee to be paid by the City to cover the cost of the cart exchange and washing. The proposed fee is \$17.50 for each household that requires a cart exchange and/or cart washing. A cart exchange is likely for the majority of households due to a switch of haulers into the new organized collection hauler zones. If the Haulers' *Proposal* is accepted by City Council, City staff indicated they would propose City Council authorize use of the solid waste fund for one-time payment of this cart exchange/washing fee. Staff is proposing all carts be cleaned with a Bloomington label attached to each cart prior to the start of organized collection.

The Haulers' pricing proposal assumes an initial contract term of five (5) or seven (7) years with alternative proposed price worksheets for each option. The collection fees would be adjusted each year based on the Solid Waste/Recycling Consumer Price Index (CPI) and the disposal fees would be adjusted proportional to any increase or decrease in HERC disposal tipping fees.

## **Summary of Prices**

This section outlines the key prices for trash, recyclables, yard waste and organics collection services. The Haulers submitted prices for the other optional services (bulky waste items, electronics), but these are relatively minor costs to residents that elect to use these on-call services and have few standard means of price comparison.

Table 1 displays five sources of rate and price data (**after** taxes and other charges):

- ◆ Current Bloomington rates from the City’s survey of residents’ invoices in the existing open hauling system.
- ◆ “All” negotiated contract cities (N = 6), including three cities where the cities do the billing.
- ◆ Only those negotiated cities where “haulers do the billing” (N=3; a subset of all six negotiated cities).
- ◆ Cities with competitively contracted service.
- ◆ [Proposed prices from the Haulers’ Proposal submitted on January 20, 2015.](#)

In addition to the monthly rates (\$ per household per month, **after** adjustments such as taxes and other charges), Table 1 also includes Foth’s calculations for estimated costs to all residents citywide for each service on a monthly basis assuming 26,000 residential units. Five-year and seven-year calculations are provided to compare to the Haulers’ *1-20-15 Proposal* five-year and seven-year prices. Based on reports submitted on January 20, 2015 from the Haulers, the new assumed distribution of trash carts by size is: small trash carts = 17.5 percent; medium trash carts = 46.0 percent; and large trash carts = 36.5 percent.

During the months of September and October, 2014, the City of Bloomington Project Team collected a sample of individual household invoices for solid waste services within the City. The survey resulted in 275 City residents providing itemized invoices. All seven (7) licensed residential haulers were represented by the sample data. This data provides a simple “snapshot” of current Bloomington rates during the sampling time period.

Foth also analyzed solid waste contract prices from twelve (12) cities in the Twin Cities metropolitan area. There is a measurable difference between “Negotiated Contract Prices” vs. “Competitive Contract Prices” for solid waste collection and disposal services. “Negotiated Contract Prices” are the prices paid in cities where the contract terms were developed through closed negotiations between a city and one or more haulers – similar to the process currently underway in Bloomington. “Competitive Contract Prices” are the prices paid by cities that procured the contract through an open and competitive process such as a Request for Proposals (RFP).

Table 1 shows that the Haulers’ proposed prices (total of trash plus recycling) are higher than the other cities’ negotiated contract prices and significantly higher than the other cities’ competitive contract prices. More price details about the Haulers’ proposed prices are provided below.

Trash plus recycling is considered as a base level of required collection services. Yard waste is offered as an option on an annual subscription service (with collection operations during the growing season only, approximately from April through November each year). The monthly yard waste prices shown in Table 1 are based on a twelve (12) month, annual subscription rate, but are not included in the citywide total base cost estimates. Yard waste can also be paid on a “pay per bag” or “on call” basis and is proposed in the Haulers price worksheet at \$4.00 per bag. (This price is not shown on Table 1).

Prices were provided by the Haulers in their *1-20-15 Proposal* worksheet for bulky waste items and electronic waste materials. These are unique categories for Bloomington without a readily available equivalent comparison. (These additional prices for bulky and electronic items are not shown on Table 1.)

Figure 1 is a frequency curve showing the number of Bloomington households submitting invoices for the survey that pay at a given rate. The average of the Bloomington rates and the Haulers' proposed seven (7) year, average total rates are flagged. Also flagged on this curve are the benchmarks from other city contracts, from both "negotiated" and "competitive" cities. For the "negotiated" cities, both "all negotiated cities" (N=6) and the subset of only those cities where the haulers do the billing (N=3) are shown.

## Discussion of Findings

The City and the Haulers have negotiated per the requirements of Minnesota's Organized Collection Statute M.S. 115A.94 ("the Statute"). The negotiations were conducted in good faith by both the Haulers and the City. There are significant areas of agreement and consensus on the levels and standards of service. It is understood that the Haulers' *1-20-15 Proposal* and *Draft City Parameters* do not yet constitute a full contract document. If City Council decides to continue with the negotiated process and schedules a public hearing for community input on the Haulers' *Proposal from 1-20-15*, a Contract will need to be finalized if directed by Council.

The Haulers' proposed total trash + recycling prices are higher than other cities' contract prices from negotiated systems by \$1.67 per household per month (mostly attributable to their higher recycling price), and significantly higher than other cities' contract prices from competitive procurement systems (i.e., RFP) by \$7.01 per household per month. The Hauler proposed rates are \$5.57 below the current average rates paid by Bloomington customers as determined by the residential survey of the 275 voluntary responses received.

## Potential Next Steps

As part of the City Council discussion on January 26, 2015 Table 2 has been prepared by the City team. Table 2 outlines five potential next steps for Council consideration:

1. Accept the Haulers' *Proposal* as submitted on 1-20-15.
2. Continue negotiations under the current process.
3. Form an "Organized Collection Options Committee" (OCOC) as specified in the Statute.
4. Form an OCOC, but allow negotiations to continue for a short period of time. If negotiations produce an acceptable proposal, the OCOC will be disbanded.
5. Terminate the pursuit of organized collection process.

Each of these alternatives has advantages, disadvantages and implementation timelines as listed by the City staff team in Table 2.

If considered, Alternatives #3 and #4 will need further discussion and policy direction from City Council. One option the OCOC may likely consider is a RFP process. Given the City's

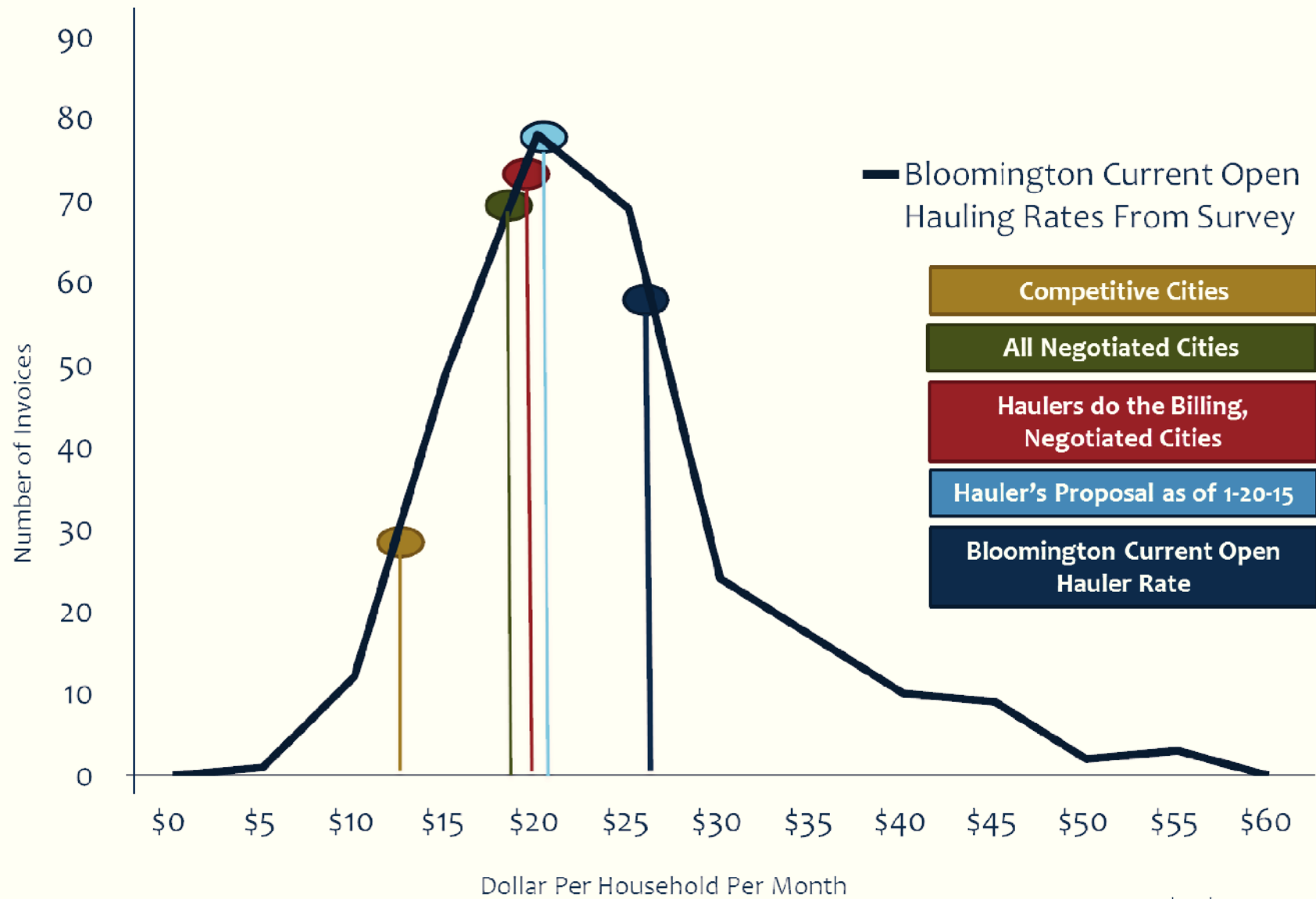
*Priorities*, the RFP specifications could include provisions such as collection districts, hauler zones and allowing teams of hauling companies to submit proposals. The RFP could also allow a consortium of haulers to propose to serve the whole City. These detailed RFP specifications are not yet formulated and would need to be part of the outcome of the OCOC process. It is possible for purposes of expediting the schedule that RFP development, release and review of proposals could be integral and concurrent to the work of the OCOC.

City staff have drafted a resolution for consideration by City Council if an OCOC alternative is selected. This resolution suggests that Council would appoint the members of the OCOC including three (3) members of the City Council and two (2) members of the Bloomington City Staff to be the members of the OCOC. The draft resolution also suggests the OCOC have an initial report submitted to the City Council within thirty (30) days of the first meeting OCOC. The OCOC would be advisory and make recommendations to Council. The membership of the OCOC could be set at the 1-26-15 Council meeting, or appointments could be made by the Council at its February 2, 2015 meeting.

**Table 1**  
**Summary Comparison of Prices**  
**(After taxes and other adjustments.)**

	Bloomington's Current Open Hauling Rates	"All" Negotiated Cities <sup>(a)</sup> (N = 6)	"Haulers Do the Billing" Negotiated Cities <sup>(b)</sup> (N = 3) Subset of "All" Negotiated Cities	Competitive Cities <sup>(c)</sup> (N = 6)	Haulers' Proposal As of Jan 20, 2015				
	Average				5 Year	7 Year	Assumptions		
	(\$ / HH / Mo)	(\$ / HH / Mo)	(\$ / HH / Mo)	(\$ / HH / Mo)	(\$ / HH / Mo)		Cart Size	Average of Haulers' Reporting Data	Assumed Number of Bloomington Residential Households
<b>Trash service</b>									26,000
Small every other week	N.A.	\$11.90	\$11.90	\$5.59	\$13.19	\$11.67			
Small weekly	\$16.76	\$12.29	\$12.22	\$8.92	\$13.93	\$12.17	Small Weekly	17.5%	
Medium weekly	\$17.24	\$15.13	\$15.77	\$10.84	\$17.53	\$15.73	Medium weekly	46.0%	
Large weekly	\$18.73	\$17.92	\$18.79	\$13.27	\$20.28	\$18.69	Large weekly	36.5%	
<b>Recycling</b>					Recycling With Organics		Recycling Without Organics		
					5 Year	7 Year	5 Year	7 Year	
Every other week	\$9.02	\$3.67	\$3.23	\$2.75	\$7.50	\$6.96	\$5.50	\$4.96	
Weekly	N.A.	N.A.		\$3.25	\$15.00	\$11.92	\$13.00	\$9.92	
<b>Yard Waste</b>	\$7.45	\$4.58	\$4.88	\$5.32	\$7.46	\$7.46			
					Haulers' Jan 20 Proposal With Organics		Haulers' Jan 20 Proposal Without Organics		
<b>Total Trash (weekly) + Recycling (every other week):</b>	<b>Bloomington's Current Open Hauling Rates</b>	<b>All Negotiated Cities</b>	<b>Haulers Bill, Negotiated Cities</b>	<b>Competitive Cities</b>	<b>5 Year Proposal Total</b>	<b>7 Year Proposal Total</b>	<b>5 Year Proposal Total</b>	<b>7 Year Proposal Total</b>	
Monthly Total Per Household	\$26.72	\$19.32	\$19.48	\$14.14	\$25.40	\$23.15	\$23.40	\$21.15	
Monthly Total, Citywide	\$694,716	\$502,355	\$506,507.30	\$367,665	\$660,498	\$601,832	\$608,498	\$549,832	
Annual Total, Citywide	\$8,336,593	\$6,028,261	\$6,078,088	\$4,411,976	\$7,925,970	\$7,221,989	\$7,301,970	\$6,597,989	
Five Year Total, Citywide	\$41,682,966	\$30,141,306	\$30,390,438	\$22,059,882	\$39,629,850		\$36,509,850		
Seven Year Total, Citywide	\$58,356,152	\$42,197,828	\$42,546,613	\$30,883,835		\$50,553,922		\$46,185,922	
Notes:									
(a)	"All" Negotiated Cities compared includes: Champlin, Elk River, Little Canada, Ham Lake, St. Anthony Village, and Vadnais Heights.								
(b)	"Haulers Do the Billing" Negotiated Cities compared includes: Ham Lake, St. Anthony Village, and Vadnais Heights.								
(c)	Competitive Cities compared includes: Robbinsdale, St. Louis Park, White Bear Lake, Shakopee, Maplewood and North St. Paul.								

**Figure 1**  
**Rates and Prices Comparison:**  
**Total Cost per Month of Trash + Recycling**  
**(After taxes and other adjustments.)**



Updated 1-20-15



**Table 2**  
**Potential Next Steps**

Alternative Next Steps	Advantages	Disadvantages	Estimated Date of Implementation <sup>(a)</sup>
<b>1. Accept Haulers' Proposal as submitted on 1-20-15</b>	<ul style="list-style-type: none"> <li>• Meets nearly all of the social, environmental and economic <i>City Priorities</i> (less trucks, pollution, etc.).</li> <li>• All seven residential Haulers licensed in Bloomington have agreed and are willing to form a new consortium.</li> <li>• Provides increased standardization of solid waste and recycling services.</li> <li>• Provides a potential plan for the proposed, new organics collection service.</li> <li>• Proposed price is lower than current City average of current open hauling rates.</li> <li>• Contract development can begin.</li> </ul>	<ul style="list-style-type: none"> <li>• May likely be the highest contract price compared to other alternative next steps.</li> <li>• Potential for price to be higher for a significant portion of City residents.</li> <li>• Organics plan is dependent on Hennepin County action to accept and sort Blue Bags at their Brooklyn Park Transfer Station.</li> <li>• City collection of bad debt remains uncertain.</li> <li>• Likely potential for political turmoil.</li> </ul>	<p style="text-align: center;">August 2015</p>
<b>2. Continue Negotiations with the Haulers</b>	<ul style="list-style-type: none"> <li>• Potentially some of the same advantages in Alternative Next Step #1.</li> <li>• Could potentially result in more clarity about the Haulers' organics "Blue Bag" proposal in terms of County plans and the proposed pilot project.</li> <li>• Could potentially result in more clarity on City's role in collection of bad debt.</li> <li>• Could potentially result in a lower proposed price from the Haulers.</li> </ul>	<ul style="list-style-type: none"> <li>• Will take more time and resources for additional negotiations.</li> <li>• Less potential than Alternative Next Step #3 to attain a competitive price.</li> </ul>	<p style="text-align: center;">September 2015</p>

<b>Alternative Next Step</b>	<b>Advantages</b>	<b>Disadvantages</b>	<b>Estimated Date of Implementation <sup>(a)</sup></b>
<b>3. Establish Organized Collection Options Committee (OCOC)</b>	<ul style="list-style-type: none"> <li>Potentially some of the same advantages as Alternative Next Steps #1 and #2.</li> <li>High potential to result in a more competitive price.</li> </ul>	<ul style="list-style-type: none"> <li>Will take additional time and resources for new OCOC process.</li> <li>Likely potential for political turmoil.</li> </ul>	July 2016
<b>4. Form OCOC but allow negotiations to continue</b>	<ul style="list-style-type: none"> <li>Potentially some of the same advantages as Alternative Next Steps #1, #2 and #3</li> <li>Allows for OCOC to be established but does not terminate negotiations.</li> </ul>	<ul style="list-style-type: none"> <li>Potential for political turmoil depends on decision path selected by City Council</li> <li>Simultaneous paths require more intensive level of effort by all parties.</li> </ul>	September 2015 (If negotiations continue and successful)  July 2016 (If complete OCOC process)
<b>5. Terminate Process</b>	<ul style="list-style-type: none"> <li>Quick.</li> <li>Allows City to focus more on other Bloomington priorities.</li> </ul>	<ul style="list-style-type: none"> <li>Lost investment of progress to-date towards organized collection.</li> <li>Issue is not resolved and will likely come back at some time in the future.</li> <li>Likely potential for political turmoil.</li> </ul>	Immediate

Notes:

- (a) Estimated dates of implementation are “best case” scenarios. These timelines assume successful completion of all work on a fast track schedule without contingencies.



## City Priorities

The following goals are pertinent to Minnesota Statute 115A.94 Organized Collection with three categories of sustainability as outlined in the City's strategic vision. A measure of importance has been assigned to help identify those that should be given a higher priority:

- [1] = Key priority,
- [2] = Would like to achieve, and
- [3] = Desire to achieve in addition to [1] and [2] priorities.

### SOCIAL:

- **Reduce Truck Noise and Litter**

Residents expect peaceful, attractive neighborhoods. Noise and litter are an inherent part of trash and recycling collection operations. The City will work to reduce truck noise and reduce litter from collection. [1]

- **Improve Safety**

Changes to the City's residential solid waste collection systems will improve neighborhood safety. Large trucks driving where children live and play must operate in a safe manner without excessive speeds. One measure of this criterion is to reduce the number of truck miles driven in the City to collect solid waste materials. [2]

### ENVIRONMENTAL:

- **Improve Recycling, Composting and Waste Reduction**

In compliance with County (and other agency) requirements, the City will seek continuous improvements in recycling, trash, yard waste, organics, and related programs. In the future, this may also include separate collection services for food waste/organics. The City will continue to work toward the mandatory statutory recycling goal of 75% by 2030 as approved by the 2014 state legislature. [1]

- **Lower Environmental Impacts**

The City will continue to develop strategies that reduce air and land pollution. In compliance with County requirements, the City will continue to implement strategies to encourage processing through Hennepin County's designated facility [e.g., Hennepin Energy Recovery Center (HERC)] instead of direct landfilling wherever possible in support of the solid waste hierarchy. [2]

---

- **Enhance Public Education and Awareness**

The City will use public education and awareness as an essential strategy to achieve improved waste reduction and recycling in order to minimize the use of landfills. [3]

**ECONOMIC:**

- **Improve Value of Services**

The City will strive to increase the value of solid waste and recycling services for residents. The City will be a good steward of taxpayer resources. For given services, City expects to receive a contract price that is competitive in the marketplace. [1]

- **Minimize City Staff Resources Devoted to Solid Waste Administration**

Bloomington will continue to ensure adequate City staff resources are tasked with solid waste management responsibilities, including recycling programs and services. The administrative costs of the City shall be kept to a minimum including administration, implementation, and billing services. The City will optimize the use of Hennepin County resources and continue to coordinate public education programs and services with the County, MPCA, and other agencies. [2]

- **Promote Local Economic Development**

The City will strive to grow Bloomington-based or regional jobs related to and supported by the solid waste management industries. The City will continue to encourage local development of businesses. To the extent possible, the City will use existing licensed residential haulers. [2]

- **Reduce Road Wear Impacts**

The City will work closely with the solid waste and recycling industry to reduce road wear impacts of heavy collection trucks. [3]



## **City Parameters Framework Options for Organized Collection Components**

### **◆ Applicable Households**

- ▶ Generally: Single-family or two-family households included.
- ▶ Operationally: Any household that currently gets “curbside” solid waste collection services (e.g., with a cart). Not dumpsters.
- ▶ Multi-family (three-family and above) and commercial properties excluded.
- ▶ Contracted properties shall be defined as any residential dwelling unit that individually pays for solid waste services.

### **◆ Trash Services**

- ▶ Weekly trash collection.
- ▶ Option for every other week.
- ▶ Three cart sizes offered: 35, 65, or 95 gallon.
- ▶ All trash required to be processed at the Hennepin County designated facility.
- ▶ Allowance for doorstep service for eligible residents via simple doorstep service application form.

### **◆ Recycling Services**

- ▶ Single-stream recycling.
- ▶ Every other week service in a 65 or 95 gallon cart with a 95 gallon cart as the standard.
- ▶ Optional weekly recycling service.
- ▶ Unlimited pick up of properly prepared items, including “occasional” recyclables overflow set in paper bags, etc. next to the cart (requiring driver to get out). If chronic recycling overflow, residents could be required to get a larger or extra recycling cart (at no additional charge).

### **◆ Yard Waste**

- ▶ Optional additional service (if household subscribes).
- ▶ 95 gallon cart for full season service.
- ▶ Pay-per-bag (compostable bags only) option.
- ▶ Weekly service April 1 to November 30.

- ◆ **Bulky Items** (possible concepts)
  - ▶ Offer optional additional Bulky Item collection service.
  - ▶ Year round curbside pick-up of Bulky Items for a set fee.
  - ▶ Voucher system for Bulky Items (e.g., 2 vouchers per year for curbside pick-up).
  - ▶ City may continue to license other haulers for one-time residential collections of large quantities (e.g., roll-off boxes).
  - ▶ Residents may order service from other licensed haulers for collection of other types of problem/special waste not handled by their assigned hauler. (E.g., HHW, electronics, asbestos removal, etc.).
  
- ◆ **Organics**
  - ▶ Optional organics service (if household subscribes).
  - ▶ Organics program to be planned, designed and implemented within one year of Contract start date. Specifications and price to be negotiated between the City and the Contractor.
  
- ◆ **Cart Ownership**
  - ▶ All carts purchased, owned, and maintained by Contractor.
  
- ◆ **Service Days**
  - ▶ Service days (Monday through Friday “zone-days”) to remain the same.
  - ▶ Six (6) major holidays will continue to be designated.
  
- ◆ **Billing and Customer Service**
  - ▶ Contractor responsible for billing the residents directly.
  - ▶ Customer service, including all complaints from the residents, will provided solely by the Contractor.
  
- ◆ **Contractor Public Education** (various options for discussion)
  - ▶ Contractor will be required to maintain Bloomington specific webpage.
  - ▶ Contractor will provide consistent cart hanger tag to residents with roll out of recyclable cart.
  - ▶ All signage on carts will contain the Contractor’s phone number.
  - ▶ Contractor is required to notify residents annually of rates, regulations, and complaint procedures.
  - ▶ Contractor will provide additional annual education and outreach requirements to residents.
  
- ◆ **City - Enhanced Public Education Commitments**
  - ▶ City will approve education components prior to sending or posting by Contractor.
  - ▶ Continue to promote educational classroom sessions in Bloomington.
  - ▶ Continued partnership with Hennepin County Environmental staff for coupons, brochures, and flyers.

- ◆ **Contractor Reporting**
  - ▶ Trash and recycling loads shall be from the Bloomington Contract residents only (i.e., “straight loads”) for accurate tonnage reporting.
  - ▶ Requirements for monthly tonnage reporting of all items collected under Contract.
  - ▶ Annual plan for continuous improvement required.
- ◆ **City Wide Spring Clean Up**
  - ▶ Maintain as a separate contract.
- ◆ **Collections from City Buildings and Parks**
  - ▶ Maintain as a separate contract.
- ◆ **Term of Contract**
  - ▶ 3 to 7 years per the Statute.
  - ▶ Participating haulers must agree to cancel their existing agreements with eligible, individual residents.
- ◆ **Price of Service, City Fee, and Variable Rate Pricing**
  - ▶ Uniform pricing among haulers.
  - ▶ Individual contract signed by each haulers or a Consortium representing the haulers.
  - ▶ Prices must be “competitive”.
  - ▶ City Administrative fee to be billed by the Contractor and remitted to the City.
  - ▶ Continue to offer Variable Rate Pricing (VRP) for trash services to encourage recycling, organics, and waste reduction.